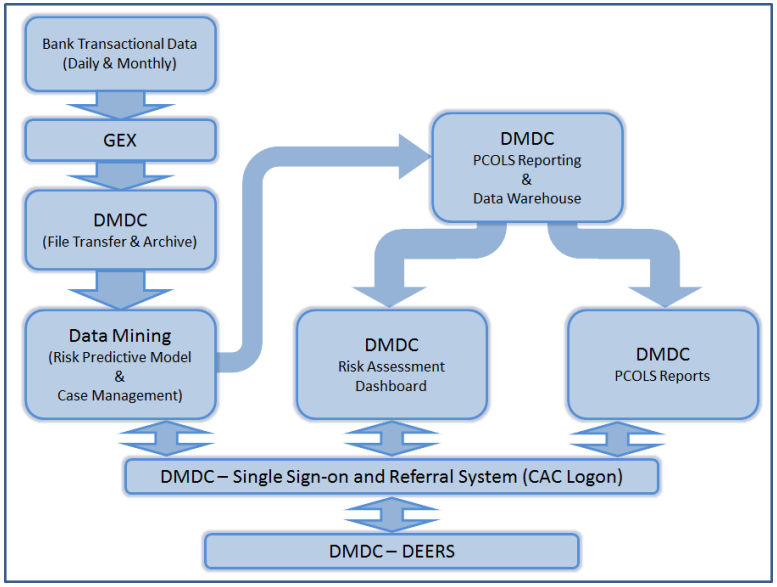
DOD GOVERNMENT PURCHASE CARD PROGRAM
PURCHASE CARD ON-LINE SYSTEM
RISK ASSESSMENT DASHBOARD
MANAGING YOUR GPC PROGRAM USING

DEFENSE PROCUREMENT AND ACQUISITION POLICY DEFENSE PRICING
PROGRAM DEVELOPMENT AND IMPLEMENTATION
DOD PURCHASE CARD POLICY OFFICE
JIM CHADWICK

OCTOBER 2014

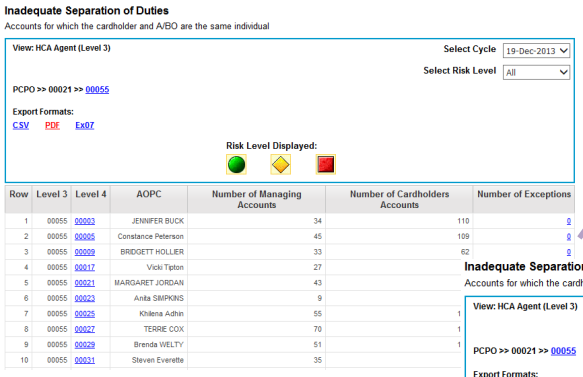
Risk Assessment Dashboard – Program Management



Risk Assessment Dashboard (RAD) is populated with bank data, Data Mining data, and PCOLS data. Bank daily and monthly transactional account data are used. DM case and case disposition data are used.

Drill down at the control level. All subordinate organizations are displayed.

Drill down at the exception level. Only the exceptions for the subordinate organizations are


Inadequate Separation of Duties

Accounts for which the cardholder and A/BO are the same individual

View: HCA Agent (Level 3)

Select Cycle: 19-Dec-2013

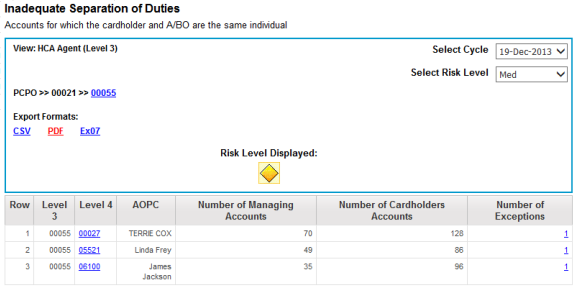
Select Risk Level: All

PCPO >> 00021 >> 00055

Export Formats: CSV PDF Ex07

Risk Level Displayed:

Row	Level 3	Level 4	AOPC	Number of Managing Accounts	Number of Cardholders Accounts	Number of Exceptions
1	00055	00003	JENNIFER BUCK	34	110	0
2	00055	00005	Constance Peterson	45	109	0
3	00055	00009	BRIDGETT HOLLIER	33	62	0
4	00055	00017	Vicki Tipton	27		
5	00055	00021	MARGARET JORDAN	43		
6	00055	00023	Anita SIMPKINS	9		
7	00055	00025	Khilena Adhin	55		1
8	00055	00027	TERRIE COX	70		1
9	00055	00029	Brenda WELTY	51		1
10	00055	00031	Steven Everette	35		


Inadequate Separation of Duties

Accounts for which the cardholder and A/BO are the same individual

View: HCA Agent (Level 3)

Select Cycle: 19-Dec-2013

Select Risk Level: Med

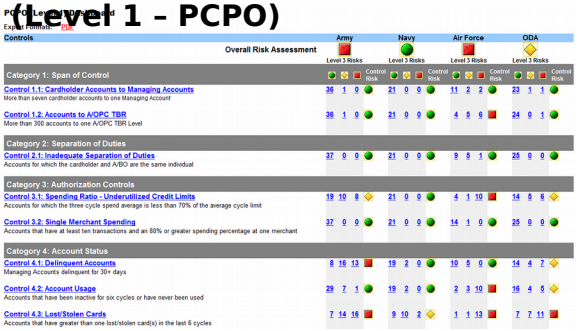
PCPO >> 00021 >> 00055

Export Formats: CSV PDF Ex07

Risk Level Displayed:

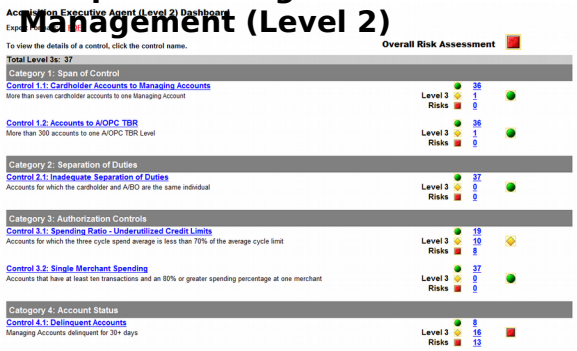
Row	Level 3	Level 4	AOPC	Number of Managing Accounts	Number of Cardholders Accounts	Number of Exceptions
1	00055	00027	TERRIE COX	70	128	1
2	00055	05521	Linda Frey	49	86	1
3	00055	06100	James Jackson	35	96	1

GPC Program Management (Level 1 – PCPO)


Controls — Overall Risk Assessment

	Army	Navy	Air Force	ODA
	Level 3 Risks	Level 3 Risks	Level 3 Risks	Level 3 Risks
Category 1: Span of Control				
Control 1.1: Cardholder Accounts to Managing Accounts — More than seven cardholder accounts to one Managing Account	36 1 0	21 0 0	11 2 2	23 1 1
Control 1.2: Accounts to A/OPC TBR — More than 300 accounts to one A/OPC TBR Level	36 1 0	21 0 0	4 5 6	24 0 1
Category 2: Separation of Duties				
Control 2.1: Inadequate Separation of Duties — Accounts for which the cardholder and A/BO are the same individual	37 0 0	21 0 0	9 5 1	25 0 0
Category 3: Authorization Controls				
Control 3.1: Spending Ratio - Underutilized Credit Limits — Accounts for which the three cycle spend average is less than 70% of the average cycle limit	19 10 8	21 0 0	4 1 10	14 5 6
Control 3.2: Single Merchant Spending — Accounts that have at least ten transactions and an 80% or greater spending percentage at one merchant	37 0 0	21 0 0	14 1 0	25 0 0
Category 4: Account Status				
Control 4.1: Delinquent Accounts — Managing Accounts delinquent for 30+ days	8 16 13	19 2 0	10 5 0	14 4 7
Control 4.2: Account Usage — Accounts that have been inactive for six cycles or have never been used	29 7 1	19 2 0	2 3 10	16 4 6
Control 4.3: Lost/Stolen Cards — Accounts that have greater than one lost/stolen card(s) in the last 6 cycles	7 14 16	9 10 2	1 1 13	7 7 11

Component Program Management (Level 2)


To view the details of a control, click the control name. — Overall Risk Assessment

Total Level 3s: 37

Category 1: Span of Control

Control 1.1: Cardholder Accounts to Managing Accounts — More than seven cardholder accounts to one Managing Account — Level 3 Risks: 36 / 1 / 0

Control 1.2: Accounts to A/OPC TBR — More than 300 accounts to one A/OPC TBR Level — Level 3 Risks: 36 / 1 / 0

Category 2: Separation of Duties

Control 2.1: Inadequate Separation of Duties — Accounts for which the cardholder and A/BO are the same individual — Level 3 Risks: 37 / 0 / 0

Category 3: Authorization Controls

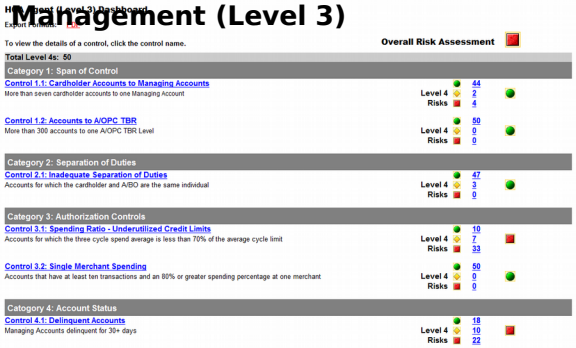
Control 3.1: Spending Ratio - Underutilized Credit Limits — Accounts for which the three cycle spend average is less than 70% of the average cycle limit — Level 3 Risks: 19 / 10 / 8

Control 3.2: Single Merchant Spending — Accounts that have at least ten transactions and an 80% or greater spending percentage at one merchant — Level 3 Risks: 37 / 0 / 0

Catogory 4: Account Status

Control 4.1: Delinquent Accounts — Managing Accounts delinquent for 30+ days — Level 3 Risks: 8 / 16 / 13

MACOM, MAJCOM, Agency Program Management (Level 3)


To view the details of a control, click the control name. — Overall Risk Assessment

Total Level 4s: 50

Category 1: Span of Control

Control 1.1: Cardholder Accounts to Managing Accounts — More than seven cardholder accounts to one Managing Account — Level 4 Risks: 44 / 2 / 4

Control 1.2: Accounts to A/OPC TBR — More than 300 accounts to one A/OPC TBR Level — Level 4 Risks: 50 / 0 / 0

Category 2: Separation of Duties

Control 2.1: Inadequate Separation of Duties — Accounts for which the cardholder and A/BO are the same individual — Level 4 Risks: 47 / 3 / 0

Category 3: Authorization Controls

Control 3.1: Spending Ratio - Underutilized Credit Limits — Accounts for which the three cycle spend average is less than 70% of the average cycle limit — Level 4 Risks: 10 / 7 / 33

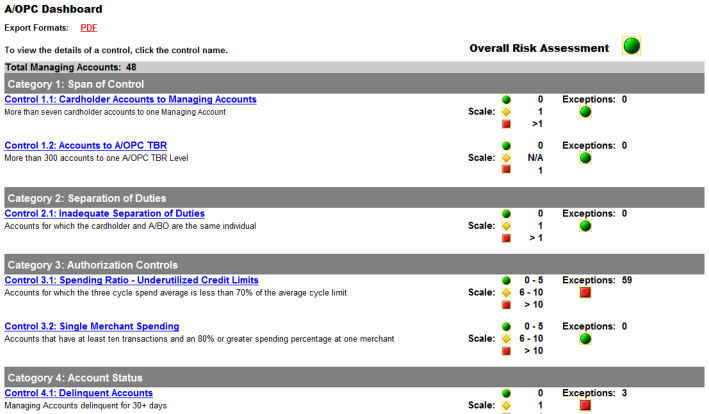
Control 3.2: Single Merchant Spending — Accounts that have at least ten transactions and an 80% or greater spending percentage at one merchant — Level 4 Risks: 50 / 0 / 0

Category 4: Account Status

Control 4.1: Delinquent Accounts — Managing Accounts delinquent for 30+ days — Level 4 Risks: 18 / 10 / 22

RAD – Account & Control Management

A/OPC and A/BO Dashboard are used mainly to manage the exceptions at the cardholder account level.



A/OPC Dashboard

Export Formats: PDF

To view the details of a control, click the control name. **Overall Risk Assessment**

Total Managing Accounts: 48

Category 1: Span of Control

Control 1.1: Cardholder Accounts to Managing Accounts — More than seven cardholder accounts to one Managing Account — Scale: 0 / 1 / >1 — Exceptions: 0

Control 1.2: Accounts to A/OPC TBR — More than 300 accounts to one A/OPC TBR Level — Scale: 0 / N/A / 1 — Exceptions: 0

Category 2: Separation of Duties

Control 2.1: Inadequate Separation of Duties — Accounts for which the cardholder and A/BO are the same individual — Scale: 0 / 1 / > 1 — Exceptions: 0

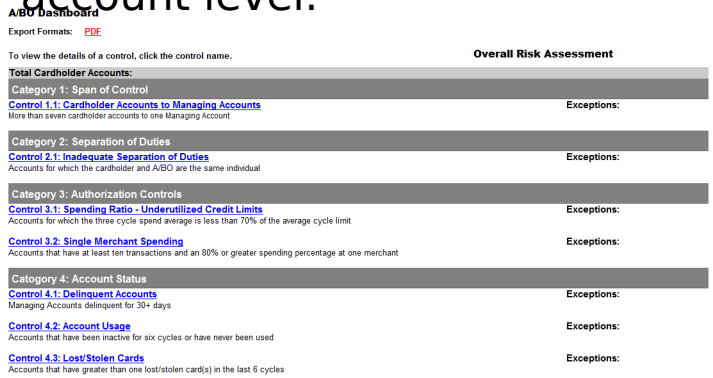
Category 3: Authorization Controls

Control 3.1: Spending Ratio - Underutilized Credit Limits — Accounts for which the three cycle spend average is less than 70% of the average cycle limit — Scale: 0 - 5 / 6 - 10 / > 10 — Exceptions: 59

Control 3.2: Single Merchant Spending — Accounts that have at least ten transactions and an 80% or greater spending percentage at one merchant — Scale: 0 - 5 / 6 - 10 / > 10 — Exceptions: 0

Catogory 4: Account Status

Control 4.1: Delinquent Accounts — Managing Accounts delinquent for 30+ days — Scale: 0 / 1 / > 1 — Exceptions: 3



A/BO Dashboard

Export Formats: PDF

To view the details of a control, click the control name. **Overall Risk Assessment**

Total Cardholder Accounts:

Category 1: Span of Control

Control 1.1: Cardholder Accounts to Managing Accounts — More than seven cardholder accounts to one Managing Account — Exceptions:

Category 2: Separation of Duties

Control 2.1: Inadequate Separation of Duties — Accounts for which the cardholder and A/BO are the same individual — Exceptions:

Category 3: Authorization Controls

Control 3.1: Spending Ratio - Underutilized Credit Limits — Accounts for which the three cycle spend average is less than 70% of the average cycle limit — Exceptions:

Control 3.2: Single Merchant Spending — Accounts that have at least ten transactions and an 80% or greater spending percentage at one merchant — Exceptions:

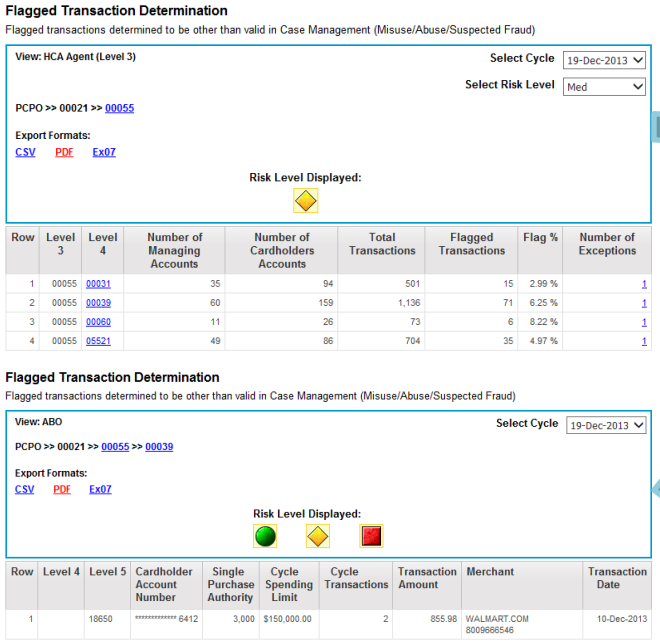
Catogory 4: Account Status

Control 4.1: Delinquent Accounts — Managing Accounts delinquent for 30+ days — Exceptions:

Control 4.2: Account Usage — Accounts that have been inactive for six cycles or have never been used — Exceptions:

Control 4.3: Lost/Stolen Cards — Accounts that have greater than one lost/stolen card(s) in the last 6 cycles — Exceptions:

A/BO Dashboard does not display controls that are not applicable at the A/BO Level



Flagged Transaction Determination

Flagged transactions determined to be other than valid in Case Management (Misuse/Abuse/Suspected Fraud)

View: HCA Agent (Level 3) — Select Cycle: 19-Dec-2013 — Select Risk Level: Med

PCPO >> 00021 >> 00055

Export Formats: CSV PDF Ex07

Risk Level Displayed:

Row	Level 3	Level 4	Number of Managing Accounts	Number of Cardholders Accounts	Total Transactions	Flagged Transactions	Flag %	Number of Exceptions
1	00055	00031	35	94	501	15	2.99 %	1
2	00055	00039	60	159	1,136	71	6.25 %	1
3	00055	00060	11	26	73	6	8.22 %	1
4	00055	05521	49	86	704	35	4.97 %	1

Flagged Transaction Determination

Flagged transactions determined to be other than valid in Case Management (Misuse/Abuse/Suspected Fraud)

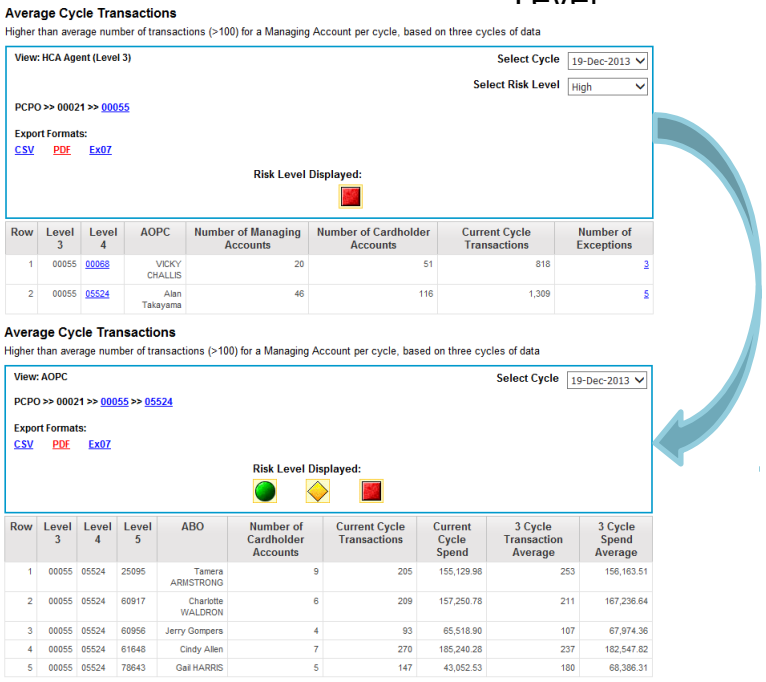
View: ABO — Select Cycle: 19-Dec-2013

PCPO >> 00021 >> 00055 >> 00039

Export Formats: CSV PDF Ex07

Risk Level Displayed:

Row	Level 4	Level 5	Cardholder Account Number	Single Purchase Authority	Cycle Spending Limit	Cycle Transactions	Transaction Amount	Merchant	Transaction Date
1		18650	********** 6412	3,000	$150,000.00	2	855.98	WALMART.COM 8009666546	10-Dec-2013



Average Cycle Transactions

Higher than average number of transactions (>100) for a Managing Account per cycle, based on three cycles of data

View: HCA Agent (Level 3) — Select Cycle: 19-Dec-2013 — Select Risk Level: High

PCPO >> 00021 >> 00055

Export Formats: CSV PDF Ex07

Risk Level Displayed:

Row	Level 3	Level 4	AOPC	Number of Managing Accounts	Number of Cardholder Accounts	Current Cycle Transactions	Number of Exceptions
1	00055	00068	VICKY CHALLIS	20	51	818	3
2	00055	05524	Alan Takayama	46	116	1,309	5

Average Cycle Transactions

Higher than average number of transactions (>100) for a Managing Account per cycle, based on three cycles of data

View: AOPC — Select Cycle: 19-Dec-2013

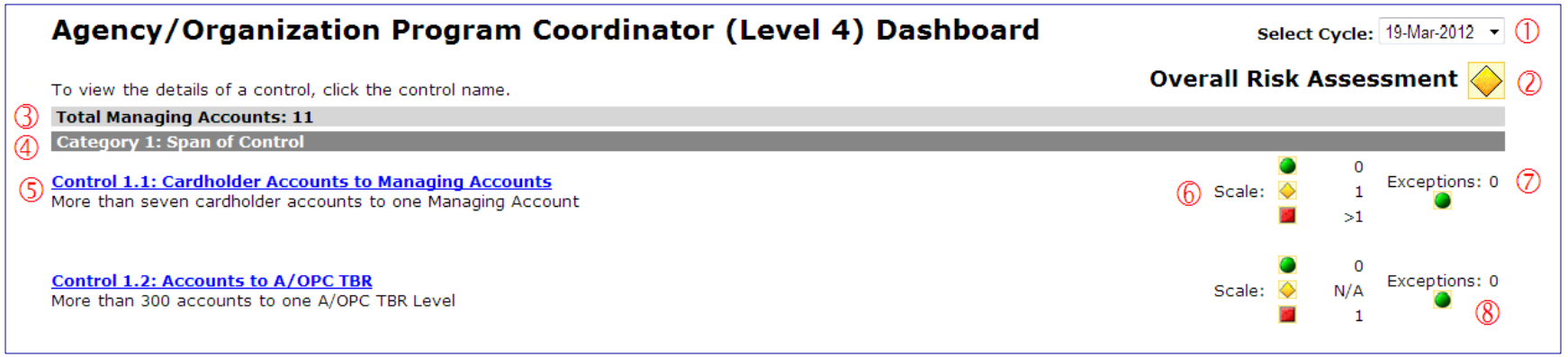
PCPO >> 00021 >> 00055 >> 05524

Export Formats: CSV PDF Ex07

Risk Level Displayed:

Row	Level 3	Level 4	Level 5	ABO	Number of Cardholder Accounts	Current Cycle Transactions	Current Cycle Spend	3 Cycle Transaction Average	3 Cycle Spend Average
1	00055	05524	25095	Tamera ARMSTRONG	9	205	155,129.98	253	156,163.51
2	00055	05524	60917	Charlotte WALDRON	6	209	157,250.78	211	167,236.64
3	00055	05524	60956	Jerry Gompers	4	93	65,518.90	107	67,974.36
4	00055	05524	61648	Cindy Allen	7	270	185,240.28	237	182,547.82
5	00055	05524	78643	Gail HARRIS	5	147	43,052.53	180	68,386.31

General Dashboard Navigation


Agency/Organization Program Coordinator (Level 4) Dashboard
Select Cycle: 19-Mar-2012
①
Overall Risk Assessment
②
To view the details of a control, click the control name.
③ Total Managing Accounts: 11
④ Category 1: Span of Control
⑤ Control 1.1: Cardholder Accounts to Managing Accounts
More than seven cardholder accounts to one Managing Account
⑥ Scale: 0 1 >1
Exceptions: 0
⑦
Control 1.2: Accounts to A/OPC TBR
More than 300 accounts to one A/OPC TBR Level
Scale: 0 N/A 1
Exceptions: 0
⑧

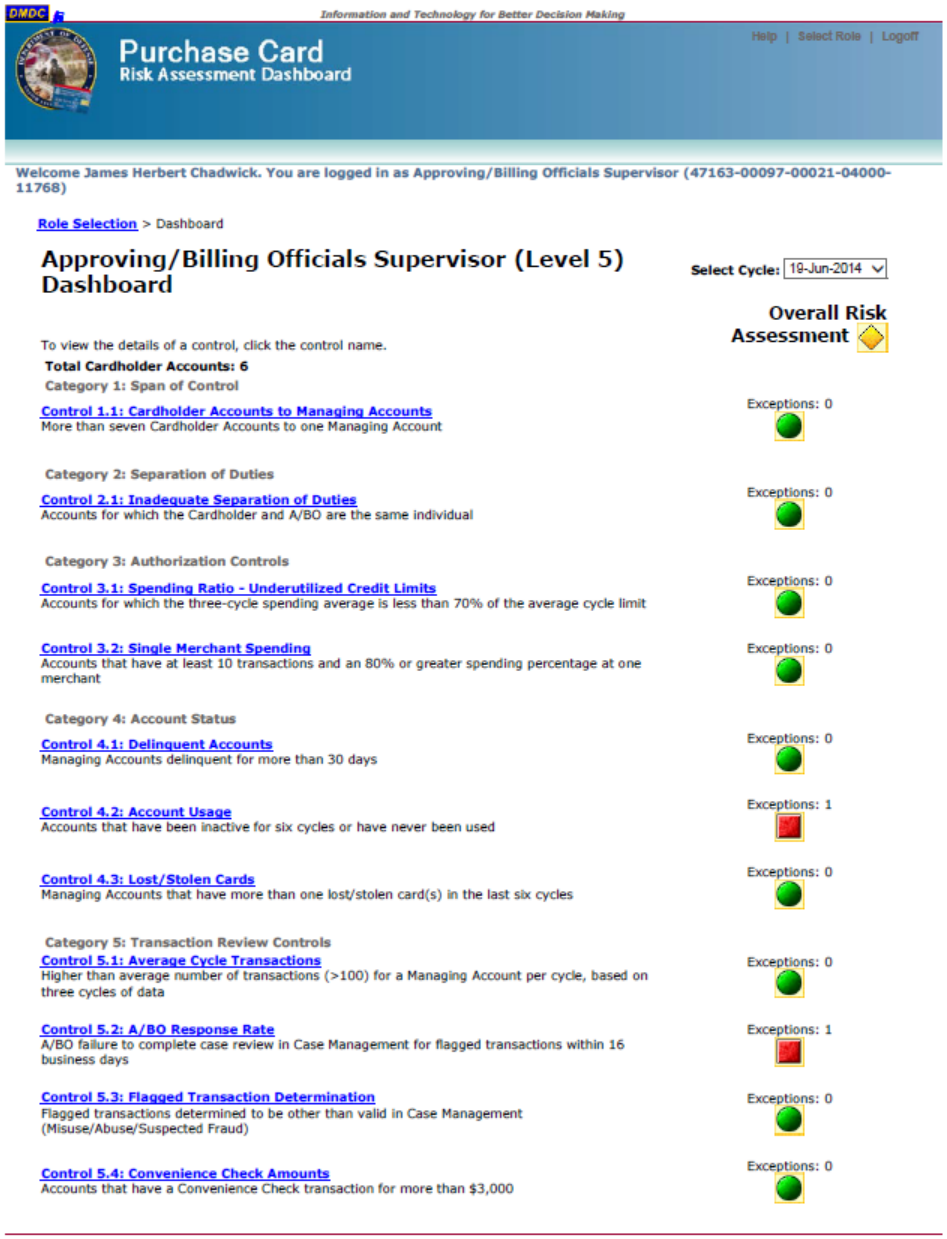
1. Cycle – Current cycle is the default. Total of 18 billing cycles to choose from.
2. Overall Risk Assessment – The Overall Risk for the user's hierarchy level.
3. Hierarchy Level Count – The Hierarchy Level Count element displays the number of sub-organizations, based on TBR, one level below the reporting level.
4. Category Label – The Category Label element applies to groups of controls.
5. Control Title and Description – Identifies and describes each control.
6. Control Risk Assessment Exception Scale – The Control Risk Assessment Exception Scale element is available only on A/OPC dashboards. It contains ranges or numbers used to determine the risk assessment for a control based on where the Exception Count falls when compared to the scale. The ranges or numbers correspond to low-risk, medium-risk, and high-risk. The Control Risk Assessment Exception Scale element is specific to individual controls.
7. Exception Count – The Exception Count element is only available on the A/OPC and A/BO dashboards. It displays the number of exceptions identified for a control. For example, for Control 4.2: Account Usage, any Cardholder who has not used their card in the past six billing cycles is identified as an exception. The Exception Count element is specific to individual controls.
8. Control Risk Assessment – The Control Risk Assessment element indicates the risk assessment for a control. A control can be assessed as low risk, medium risk, or high risk, except for the A/BO dashboard where a control can only be assessed as either low risk or high risk. Depending on the dashboard, the Control Risk Assessment is determined by

A/BO Dashboard Risk Scale

Category	Control	Risk Scale		Control Weighting
		Low	High	
1: Span of Control	Control 1.1: Cardholders to Approving/Billing Officials	0	>0	1
2: Separation of Duties	Control 2.1: Inadequate Separation of Duties	0	>0	1
3: Authorization Controls	Control 3.1: Spending Ratio - Underutilized Credit Limits	0	>0	1
	Control 3.2: Single Merchant Spending	0	>0	1
4: Account Status	Control 4.1: Delinquent Accounts	0	>0	1
	Control 4.2: Account Usage	0	>0	1
	Control 4.3: Lost/Stolen Cards	0	>0	1
5: Transaction Review Controls	Control 5.1: Average Cycle Transactions Reviewed	0	>0	1
	Control 5.2: A/BO Response Rate	0	>0	1
	Control 5.3: Flagged Transaction Determination	0	>0	1
	Control 5.4: Convenience Check Amounts	0	>0	1

At the A/BO Dashboard Level if any exception is observed, then the control will go Red (i.e., there are only two categories at this level – Green (No Exceptions) and Red (Any Exception).

Calculation of Overall Risk Assessment (A/BO Dashboard)



DMDC — Information and Technology for Better Decision Making

Purchase Card
Risk Assessment Dashboard

Help | Select Role | Logoff

Welcome James Herbert Chadwick. You are logged in as Approving/Billing Officials Supervisor (47163-00097-00021-04000-11768)

Role Selection > Dashboard

Approving/Billing Officials Supervisor (Level 5) Dashboard

Select Cycle: 19-Jun-2014

Overall Risk Assessment

To view the details of a control, click the control name.

Total Cardholder Accounts: 6

Category 1: Span of Control

Control 1.1: Cardholder Accounts to Managing Accounts — Exceptions: 0
More than seven Cardholder Accounts to one Managing Account

Category 2: Separation of Duties

Control 2.1: Inadequate Separation of Duties — Exceptions: 0
Accounts for which the Cardholder and A/BO are the same individual

Category 3: Authorization Controls

Control 3.1: Spending Ratio - Underutilized Credit Limits — Exceptions: 0
Accounts for which the three-cycle spending average is less than 70% of the average cycle limit

Control 3.2: Single Merchant Spending — Exceptions: 0
Accounts that have at least 10 transactions and an 80% or greater spending percentage at one merchant

Category 4: Account Status

Control 4.1: Delinquent Accounts — Exceptions: 0
Managing Accounts delinquent for more than 30 days

Control 4.2: Account Usage — Exceptions: 1
Accounts that have been inactive for six cycles or have never been used

Control 4.3: Lost/Stolen Cards — Exceptions: 0
Managing Accounts that have more than one lost/stolen card(s) in the last six cycles

Category 5: Transaction Review Controls

Control 5.1: Average Cycle Transactions — Exceptions: 0
Higher than average number of transactions (>100) for a Managing Account per cycle, based on three cycles of data

Control 5.2: A/BO Response Rate — Exceptions: 1
A/BO failure to complete case review in Case Management for flagged transactions within 16 business days

Control 5.3: Flagged Transaction Determination — Exceptions: 0
Flagged transactions determined to be other than valid in Case Management (Misuse/Abuse/Suspected Fraud)

Control 5.4: Convenience Check Amounts — Exceptions: 0
Accounts that have a Convenience Check transaction for more than $3,000

Version: 1.00.034

Each control risk level has a corresponding numeric Risk Value:

- Low (Green) = 0
- Medium (Yellow) = 1
- High (Red) = 5

Eleven (11) Total Controls

- Nine Green (Low) = 9 * 0 = 0
- Zero Yellow (Medium) = 0 * 0 = 0
- Two Red (High) = 2 * 5 = 10

Overall Risk Value = 0 + 0 + 10 = 10

The overall risk assessment scale used to calculate risk level at A/BO Level Dashboard is used in the calculation of the Overall Risk Value (above). That Overall Risk Value is used to assign Overall Risk Assessment for the A/BO Level Dashboard. Scale is as follows:

- Low (Green) : 0 - 6
- Medium (Yellow): 7 - 14
- High (Red): 15 - 60

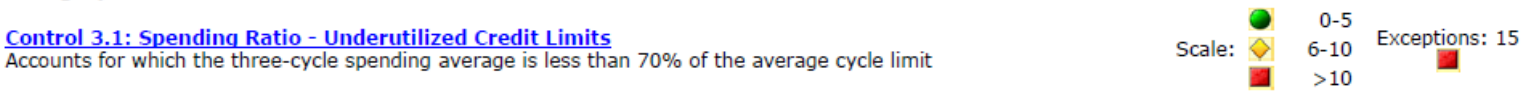
This A/BO has an Overall Risk Value of 10, which falls in the Medium category (Yellow).

Yellow is displayed as the Overall Risk

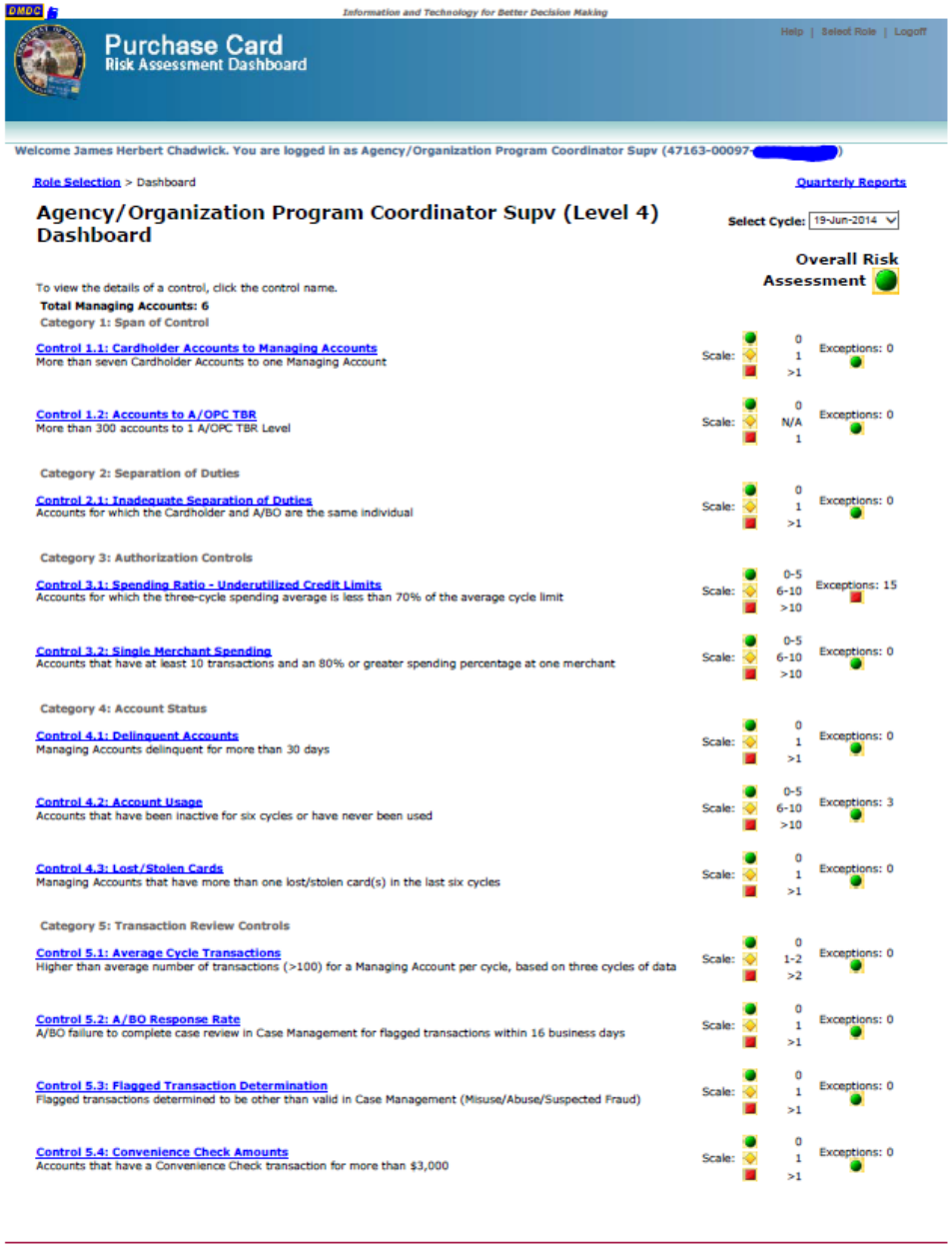
A/OPC Assessment and Organization Level Dashboard Risk Scale

Category	Control	Risk Scale			Control Weighting
		Low	Medium	High	
1: Span of Control	Control 1.1: Cardholders to Approving/Billing Officials	0	1	>1	1
	Control 1.2: Cardholders to A/OPCs	0	N/A	1	1
2: Separation of Duties	Control 2.1: Inadequate Separation of Duties	0	1	>1	1
3: Authorization Controls	Control 3.1: Spending Ratio - Underutilized Credit Limits	0-5	6-10	>10	1
	Control 3.2: Single Merchant Spending	0-5	6-10	>10	1
4: Account Status	Control 4.1: Delinquent Accounts	0	1	>1	1
	Control 4.2: Account Usage	0-5	6-10	>10	1
	Control 4.3: Lost/Stolen Cards	0	1	>1	1
5: Transaction Review Controls	Control 5.1: Average Cycle Transactions Reviewed	0	1-2	>2	1
	Control 5.2: A/BO Response Rate	0	1	>1	1
	Control 5.3: Flagged Transaction Determination	0	1	>1	1
	Control 5.4: Convenience Check Amounts	0	1	>1	1

Higher level dashboards use a different scale. Note on the A/OPC Dashboard that the number of exceptions for each risk level is displayed next to the control scale. As an example, see dashboard


Category 3: Authorization Controls
Control 3.1: Spending Ratio - Underutilized Credit Limits
Accounts for which the three-cycle spending average is less than 70% of the average cycle limit
Scale:
0-5
6-10
>10
Exceptions: 15

Calculation of Overall Risk Assessment (A/OPC Dashboard: Example 1)


Information and Technology for Better Decision Making
Purchase Card
Risk Assessment Dashboard
Help | Select Role | Logoff
Welcome James Herbert Chadwick. You are logged in as Agency/Organization Program Coordinator Supv (47163-00097-[redacted])
Role Selection > Dashboard
Quarterly Reports
Agency/Organization Program Coordinator Supv (Level 4) Dashboard
Select Cycle: 19-Jun-2014
Overall Risk Assessment
To view the details of a control, click the control name.
Total Managing Accounts: 6
Category 1: Span of Control
Control 1.1: Cardholder Accounts to Managing Accounts
More than seven Cardholder Accounts to one Managing Account
Scale: 0 1 >1
Exceptions: 0
Control 1.2: Accounts to A/OPC TBR
More than 300 accounts to 1 A/OPC TBR Level
Scale: 0 N/A 1
Exceptions: 0
Category 2: Separation of Duties
Control 2.1: Inadequate Separation of Duties
Accounts for which the Cardholder and A/BO are the same individual
Scale: 0 1 >1
Exceptions: 0
Category 3: Authorization Controls
Control 3.1: Spending Ratio - Underutilized Credit Limits
Accounts for which the three-cycle spending average is less than 70% of the average cycle limit
Scale: 0-5 6-10 >10
Exceptions: 15
Control 3.2: Single Merchant Spending
Accounts that have at least 10 transactions and an 80% or greater spending percentage at one merchant
Scale: 0-5 6-10 >10
Exceptions: 0
Category 4: Account Status
Control 4.1: Delinquent Accounts
Managing Accounts delinquent for more than 30 days
Scale: 0 1 >1
Exceptions: 0
Control 4.2: Account Usage
Accounts that have been inactive for six cycles or have never been used
Scale: 0-5 6-10 >10
Exceptions: 3
Control 4.3: Lost/Stolen Cards
Managing Accounts that have more than one lost/stolen card(s) in the last six cycles
Scale: 0 1 >1
Exceptions: 0
Category 5: Transaction Review Controls
Control 5.1: Average Cycle Transactions
Higher than average number of transactions (>100) for a Managing Account per cycle, based on three cycles of data
Scale: 0 1-2 >2
Exceptions: 0
Control 5.2: A/BO Response Rate
A/BO failure to complete case review in Case Management for flagged transactions within 16 business days
Scale: 0 1 >1
Exceptions: 0
Control 5.3: Flagged Transaction Determination
Flagged transactions determined to be other than valid in Case Management (Misuse/Abuse/Suspected Fraud)
Scale: 0 1 >1
Exceptions: 0
Control 5.4: Convenience Check Amounts
Accounts that have a Convenience Check transaction for more than $3,000
Scale: 0 1 >1
Exceptions: 0
Version: 1.00.034

Each control risk level shall have a corresponding numeric Risk Value:

- Low (Green) = 0
- Medium (Yellow) = 1
- High (Red) = 5

Twelve (12) Total Controls

- Eleven Green (Low) = 11 * 0 = 0
- Zero Yellow (Medium) = 0 * 0 = 0
- One Red (High) = 1 * 5 = 5

Overall Risk Value = 0 + 0 + 5 = 5

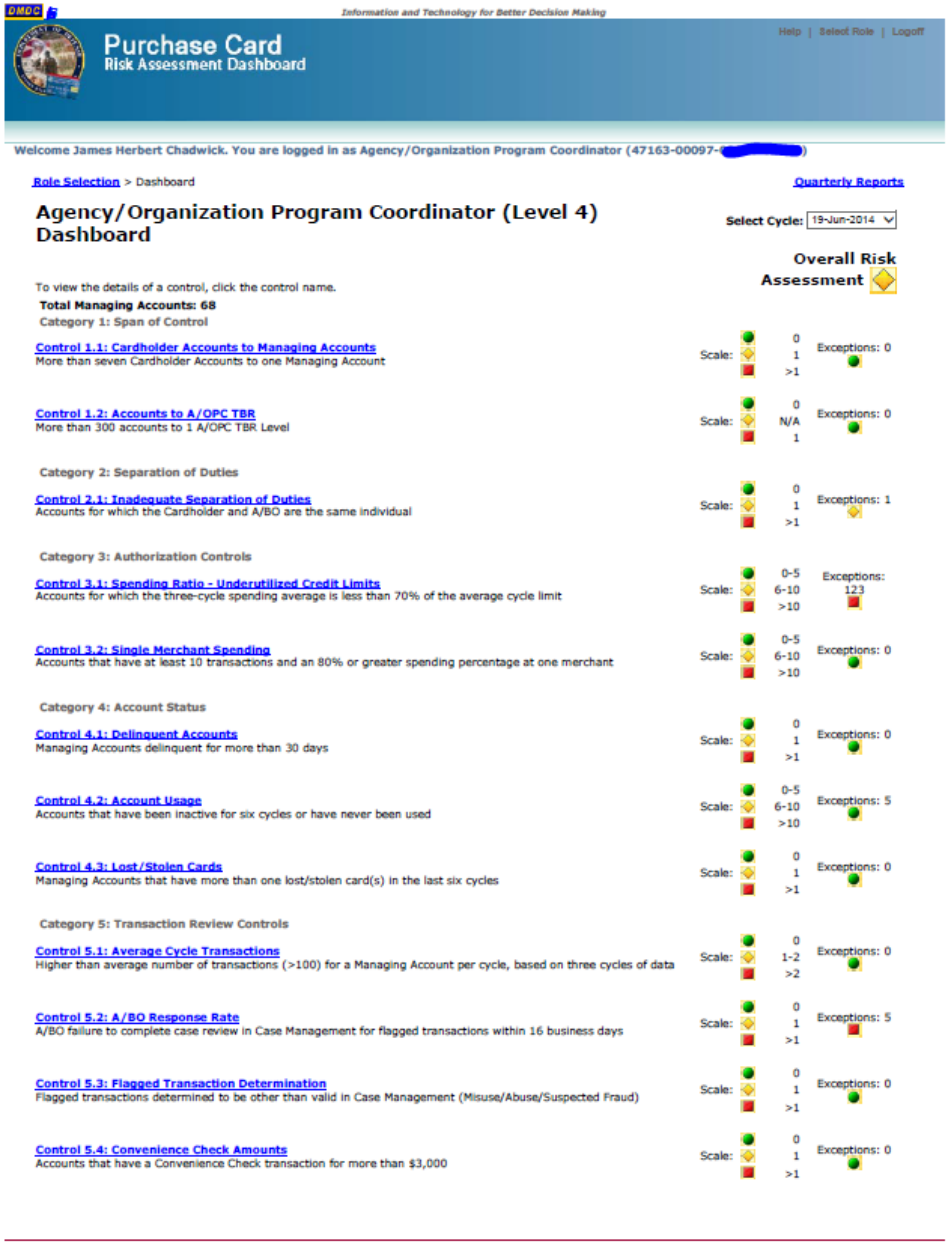
The Overall Risk Assessment Scale used to calculate risk level at A/OPC Level Dashboard is used in the calculation of the Overall Risk Value (above). That Overall Risk Value is used to assign Overall Risk Assessment for the A/OPC Level Dashboard. Scale is as follows:

- Low (Green) : 0 - 6
- Medium (Yellow): 7 - 14
- High (Red): 15 - 60

This A/OPC has an Overall Risk Value of 5, which falls in the Low category (Green).

Green is displayed as the Overall Risk

Calculation of Overall Risk Assessment (A/OPC Dashboard: Example 2)


DMDC
Information and Technology for Better Decision Making
Purchase Card
Risk Assessment Dashboard
Help | Select Role | Logoff
Welcome James Herbert Chadwick. You are logged in as Agency/Organization Program Coordinator (47163-00097-
Role Selection > Dashboard
Quarterly Reports
Agency/Organization Program Coordinator (Level 4) Dashboard
Select Cycle: 19-Jun-2014
Overall Risk Assessment
To view the details of a control, click the control name.
Total Managing Accounts: 68
Category 1: Span of Control
Control 1.1: Cardholder Accounts to Managing Accounts
More than seven Cardholder Accounts to one Managing Account
Scale: 0 1 >1
Exceptions: 0
Control 1.2: Accounts to A/OPC TBR
More than 300 accounts to 1 A/OPC TBR Level
Scale: 0 N/A 1
Exceptions: 0
Category 2: Separation of Duties
Control 2.1: Inadequate Separation of Duties
Accounts for which the Cardholder and A/BO are the same individual
Scale: 0 1 >1
Exceptions: 1
Category 3: Authorization Controls
Control 3.1: Spending Ratio - Underutilized Credit Limits
Accounts for which the three-cycle spending average is less than 70% of the average cycle limit
Scale: 0-5 6-10 >10
Exceptions: 123
Control 3.2: Single Merchant Spending
Accounts that have at least 10 transactions and an 80% or greater spending percentage at one merchant
Scale: 0-5 6-10 >10
Exceptions: 0
Category 4: Account Status
Control 4.1: Delinquent Accounts
Managing Accounts delinquent for more than 30 days
Scale: 0 1 >1
Exceptions: 0
Control 4.2: Account Usage
Accounts that have been inactive for six cycles or have never been used
Scale: 0-5 6-10 >10
Exceptions: 5
Control 4.3: Lost/Stolen Cards
Managing Accounts that have more than one lost/stolen card(s) in the last six cycles
Scale: 0 1 >1
Exceptions: 0
Category 5: Transaction Review Controls
Control 5.1: Average Cycle Transactions
Higher than average number of transactions (>100) for a Managing Account per cycle, based on three cycles of data
Scale: 0 1-2 >2
Exceptions: 0
Control 5.2: A/BO Response Rate
A/BO failure to complete case review in Case Management for flagged transactions within 16 business days
Scale: 0 1 >1
Exceptions: 5
Control 5.3: Flagged Transaction Determination
Flagged transactions determined to be other than valid in Case Management (Misuse/Abuse/Suspected Fraud)
Scale: 0 1 >1
Exceptions: 0
Control 5.4: Convenience Check Amounts
Accounts that have a Convenience Check transaction for more than $3,000
Scale: 0 1 >1
Exceptions: 0
Version: 1.00.034

Each control risk level shall have a corresponding numeric Risk Value:

- Low (Green) = 0
- Medium (Yellow) = 1
- High (Red) = 5

Twelve (12) Total Controls

- Nine Green (Low) = 9 * 0 = 0
- One Yellow (Medium) = 1 * 1 = 1
- Two Red (High) = 2 * 5 = 10

Overall Risk Value = 0 + 1+ 10 = 11

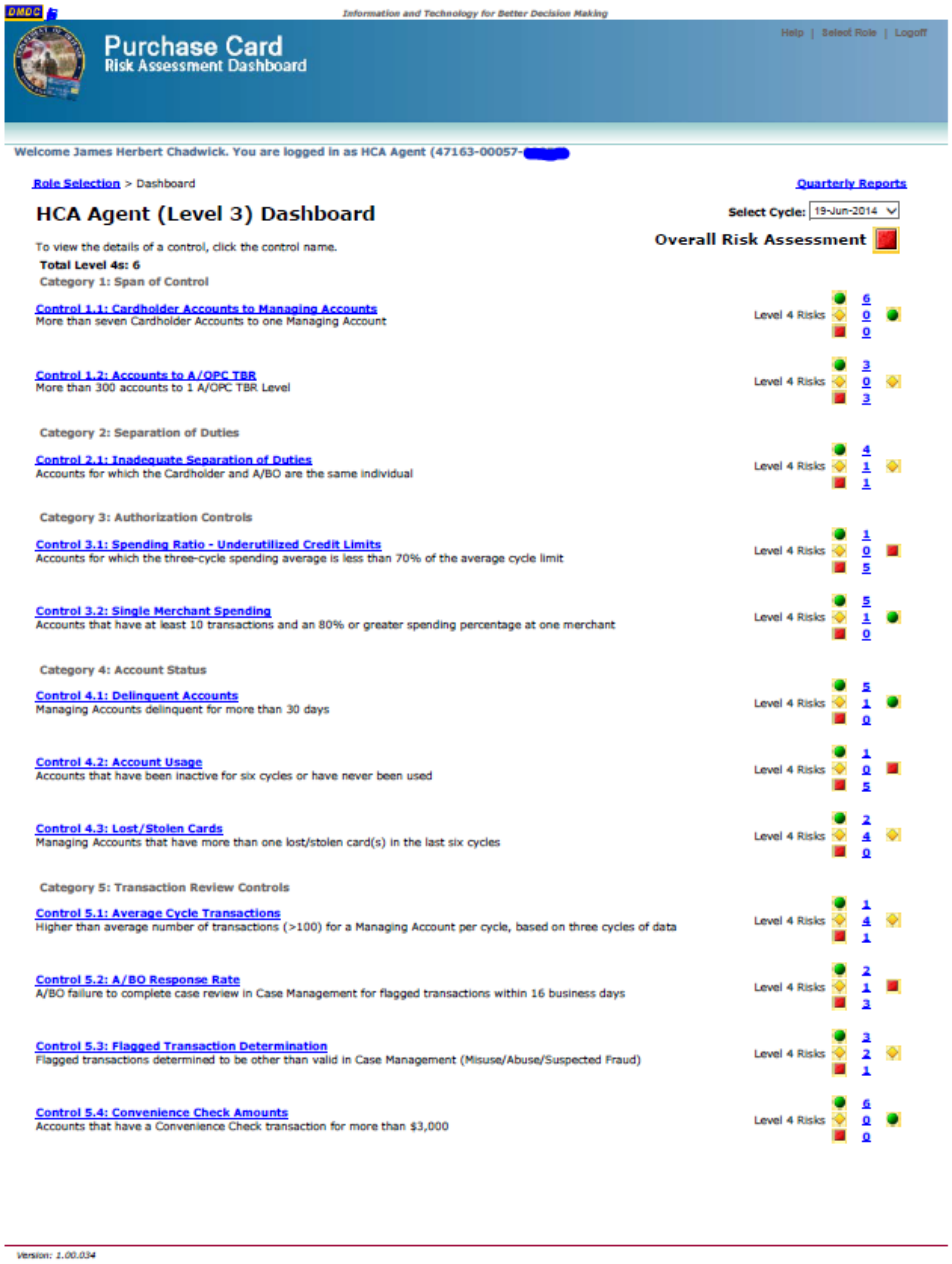
The Overall Risk Assessment Scale used to calculate risk level at A/OPC Level Dashboard is used in the calculation of the Overall Risk Value (above). That Overall Risk Value is used to assign Overall Risk Assessment for the A/OPC Level Dashboard. Scale is as follows:

- Low (Green) : 0 - 6
- Medium (Yellow): 7 - 14
- High (Red): 15 - 60

This A/OPC has an Overall Risk Value of 11, which falls in the Medium category (Yellow).

Yellow is displayed as the Overall Risk

Calculation of Overall Risk Assessment (HCA Agent (Level 3) Dashboard)



Information and Technology for Better Decision Making

Help | Select Role | Logoff

Purchase Card
Risk Assessment Dashboard

Welcome James Herbert Chadwick. You are logged in as HCA Agent (47163-00057-[redacted]

Role Selection > Dashboard

Quarterly Reports

HCA Agent (Level 3) Dashboard

Select Cycle: 19-Jun-2014

Overall Risk Assessment

To view the details of a control, click the control name.

Total Level 4s: 6

Category 1: Span of Control					
Control 1.1: Cardholder Accounts to Managing Accounts More than seven Cardholder Accounts to one Managing Account	Level 4 Risks	6 0 0	
Control 1.2: Accounts to A/OPC TBR More than 300 accounts to 1 A/OPC TBR Level	Level 4 Risks	3 0 3	
Category 2: Separation of Duties					
Control 2.1: Inadequate Separation of Duties Accounts for which the Cardholder and A/BO are the same individual	Level 4 Risks	4 1 1	
Category 3: Authorization Controls					
Control 3.1: Spending Ratio - Underutilized Credit Limits Accounts for which the three-cycle spending average is less than 70% of the average cycle limit	Level 4 Risks	1 0 5	
Control 3.2: Single Merchant Spending Accounts that have at least 10 transactions and an 80% or greater spending percentage at one merchant	Level 4 Risks	5 1 0	
Category 4: Account Status					
Control 4.1: Delinquent Accounts Managing Accounts delinquent for more than 30 days	Level 4 Risks	5 1 0	
Control 4.2: Account Usage Accounts that have been inactive for six cycles or have never been used	Level 4 Risks	1 0 5	
Control 4.3: Lost/Stolen Cards Managing Accounts that have more than one lost/stolen card(s) in the last six cycles	Level 4 Risks	2 4 0	
Category 5: Transaction Review Controls					
Control 5.1: Average Cycle Transactions Higher than average number of transactions (>100) for a Managing Account per cycle, based on three cycles of data	Level 4 Risks	1 4 1	
Control 5.2: A/BO Response Rate A/BO failure to complete case review in Case Management for flagged transactions within 16 business days	Level 4 Risks	2 1 3	
Control 5.3: Flagged Transaction Determination Flagged transactions determined to be other than valid in Case Management (Misuse/Abuse/Suspected Fraud)	Level 4 Risks	3 2 1	
Control 5.4: Convenience Check Amounts Accounts that have a Convenience Check transaction for more than $3,000	Level 4 Risks	6 0 0	

Version: 1.00.034

Each control risk level has a corresponding numeric Risk Value:

- Low (Green) = 0
- Medium (Yellow) = 1
- High (Red) = 5

Twelve (12) Total Controls

- Four Green (Low) = 4 * 0 = 0
- Five Yellow (Medium) = 5 * 1 = 5
- Three Red (High) = 3 * 5 = 15

Overall Risk Value = 0 + 5+ 15 = 20

At the HCA Agent Level Dashboard and above, the Risk Values are based on the exceptions of the subordinate organizations. In this example, there are six (6) sub-orgs. So, the Risk Values for each control total six. The Overall Risk Value calculated above is used to assign Overall Risk Assessment for this dashboard. Scale is as follows:

Low (Green) :	0 - 6
Medium (Yellow):	7 - 14
High (Red):	15 - 60

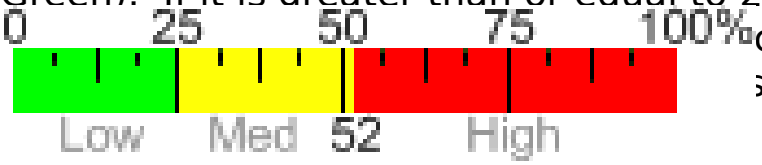
This HCA Agent has an Overall Risk Value of 20, which falls in the High category (Red).

Calculation of Risk Values

To calculate the risk assessment score for a control, the number of direct, lower level A/OPCs that were assessed as low, medium, and high risk for the control are multiplied by the risk weightings of 0, 1, and 2 respectively and summed together. This value is the Total Risk Score for the control.

Before the assessed risk level of the control can be determined, the Maximum Risk Score must be calculated. The Maximum Risk Score is calculated by multiplying the total number of direct, lower level A/OPCs by the high risk weighting of 2. The Maximum Risk Score is the value if all the A/OPCs where assessed as high risk (Red) for the control.

To determine the assessed risk level of the control from the total risk score, the total risk score is evaluated against the A/OPC control scale shown below. If the total risk score is less than 25% of the maximum risk score, the control is assessed as low risk (Green). If it is greater than or equal to 25% and less than 52%, the control i core that is greater than or eq sessed as high risk (Red).



Previous example of HCA Agent has a Total of 6 Level 4s. 6 sub-orgs – Maximum Risk Score = 12.

Control 1.1 6 green = 6*0 = 0 0 yellow = 0*1 = 0 0 red =

Risk Assessment Dashboard – Control 1.1

Control 1.1: Cardholder Accounts to Managing Accounts
More than seven Cardholder Accounts to one Managing Account

Issue came up where Control 1.1: Accounts that have been cancelled or closed are still being identified and counted against the 7:1 ratio. We have put the fix in to production for Control 1.1, so when the June monthly file was processed, accounts cancelled during the cycle were properly excluded from the counts. Also, clean-up for past cycles was performed. This issue should be resolved going forward.

Also, we have seen where exceptions were granted out of SAF/AQC. While the Air Force may grant an exception, this exception does not apply at the DoD OSD Level (i.e., there will be no relief for this control).

Risk Assessment Dashboard – Control 1.2

Control 1.2: Accounts to A/OPC TBR

More than 300 accounts to 1 A/OPC TBR Level

Control 1.2 verifies the ratio of Managing and Cardholder accounts to A/OPC TBR Level (this is the role and not the number of folks that are in that role).

Please note that the control is operating as designed. Currently, the control uses the A/OPC TBR Level in the calculation. PCPO does understand that this is a different definition than in the Charge Card Guidebook where it states: "There should be no more than seven card accounts per A/BO or Certifying Officer, and no more than 300 accounts (CH and A/BO) per A/OPC."

This difference is slated as a topic for a

Risk Assessment Dashboard – Control 2.1

Control 2.1: Inadequate Separation of Duties

Accounts for which the Cardholder and A/BO are the same individual

Good news here is that once that this situation was brought forward corrective action was taken.

Risk Assessment Dashboard – Control 3.1

Control 3.1: Spending Ratio – Underutilized Credit Limits
Accounts for which the three-cycle spend average is less than 70% of the average cycle credit limit.

Currently, this control uses that last month's cycle limit in the calculation. This control is being updated the average the cycle limit. Also, there is a situation where cancelled accounts are being included in the calculations. This will be fixed by eliminating accounts that are cancelled in the reporting cycle. Additionally, there does appear to be an issue with credit balances. This will be fixed when average fix goes in.

Issues with the flow of funds is not something that can be addressed with this control (i.e., this would be an operational issue and not an application issue).

Risk Assessment Dashboard – Control 3.2

Control 3.2: Single Merchant Spending. Accounts that have at least 10 transactions and an 80% or greater spending percentage at one merchant.

PCPO is aware that some mandatory sources are causing issues with this control as well as the flagging in Data Mining. We are looking at how to address these issues.

PCPO will need to look into the situation where itemized billing is being used (i.e., each item appears as a separate transaction).

Risk Assessment Dashboard – Control 4.1

Control 4.1: Delinquent Accounts

Managing Accounts delinquent for more than 30 days

Good news here is that this control alerted an organization that an account was delinquent and the account is now in compliance.

Risk Assessment Dashboard – Control 4.2

Control 4.2: Account Usage

Accounts that have been inactive for six cycles or have never been used

PCPO is aware that there are mitigating issues associated with this control. For example, funds were expected to be available and then were not available for purchase card purchases. Also, that there are many contingency cards that would only be used in contingency situations (i.e., they do not have regular spend).

Some good news here is that this control alerted some organizations of cards that were not needed and were closed (therefore reducing risk).

Risk Assessment Dashboard – Control 4.3

Control 4.3: Lost/Stolen Cards

Managing Accounts that have more than one lost/stolen card(s) in the last six cycles

We did recognize an issue with the Bank file and this has been addressed. If there are continuing issues, I would like to investigate.

Also, we are looking at the weighting of this control. This one would probably be the first to try a different weight in dashboard. In some cases, the compromised card is totally out of the cardholders control.

Risk Assessment Dashboard – Control 5.1

Control 5.1: Average Cycle Transactions

Higher than average number of transactions (>100) for a Managing Account per cycle, based on three cycles of data

PCPO does understand that some organizations are going to have more than 100 transactions per cycle. The number of transactions is going to be analyzed. Also, question came up regarding the a monthly cap on the number of transactions.

Performed some quick math on those orgs that had very high exceptions. Raising the average number to 150 would clear about 70% of the exceptions. Again, looking at modifying the control to be a better indicator or risk. Note that some accounts have 400 average transactions.

Risk Assessment Dashboard – Control 5.2

Control 5.2: A/BO Response Rate

A/BO failure to complete case review in Case Management for flagged transactions within 16 business days

We are now including the A/OPC on the second escalation to A/BO, A/BO Supervisor, and alternate A/BO to give the A/OPC five business days to clear the case before it goes red in RAD.

Also, there are no exceptions for this control (i.e., issue with foreign/local nationals that participate in the GPC Program).

A/BO Response Rate

Old

Control 5.2: A/BO Response Rate
A/BO failure to initiate case review in Case Management for flagged transactions within sixteen business days

Level 3 Risks 8 6 11

Curre nt

Control 5.2: A/BO Response Rate
A/BO failure to complete case review in Case Management for flagged transactions within 16 business days

Scale: 0 1 >1

Exceptions: 0

Other items to address issues:

1. Escalated Transaction Report has been fixed to show “Pending” escalations.
2. Email notification process for “Pending” emails has been addressed.
3. Update to the Notification Schedule and email Distribution was approved at the ORC on April 9th.

Escalation Schedule

New Case Notification Schedule

HNC/Fair Isaac	When	PCOLS/SRS Sends Email to…	# of Business Days Elapsed
Send initial referral to PCOLS	Newly flagged case	Primary A/BO, Alternate A/BO, & A/BO Supervisor	0
Send referral #2 if no action	After 10 days once initial referral sent	Primary A/BO, Alternate A/BO, & A/BO Supervisor	11
Send referral #3 if no action	5 days after referral #2	A/OPCs & A/OPC Supervisor	16
Send referral #4 if no action	5 days after referral #3	A/OPCs & A/OPC Supervisor	21
Send referral #5 if no action	5 days after referral #4	Level 3s	26
Send referral #6 if no action	5 days after referral #5	Level 3s	31
Send referral #7 if no action	5 days after referral #6	Level 2s	36
Send referral #8 if no action	5 days after referral #7	Level 2s	41
Send referral #9 if no action	5 days after referral #8	PCPMOs	46
Send referral #10 if no action	5 days after referral #9	PCPMOs	51
No further referrals sent			

Note: All intervals are in terms of business days

Pending Case Notification Schedule

HNC/Fair Isaac	When	PCOLS/SRS Sends Email to…	# of Business Days Elapsed
Case set to Pending	N/A	N/A	0
Send referral #1 for pending case	After 10 days once set to pending	User who set to Pending (Sent in notification as EDIPI)	11
Send referral #2 for pending case	5 days after referral #1	Pending User + 1 Escalation	16
Send referral #3 for pending case	5 days after referral #2	Pending User + 2 Escalation	21
Send referral #4 for pending case	5 days after referral #3	Pending User + 3 Escalations	26
Send referral #5 for pending case	5 days after referral #4	Pending User + 4 Escalations	31
No further referrals sent			

Note: All intervals are in terms of business days

High Risk Case Notification Schedule

HNC/Fair Isaac	When	PCOLS/SRS Sends Email to…	# of Business Days Elapsed
Send initial referral to PCOLS	N/A	A/OPC & PCPMOs	0
No further referrals sent			

Notify A/OPCs earlier in the escalation cycle

Closed Case emails are being sent to A/OPCs

Risk Assessment Dashboard – Control 5.3

Control 5.3: Flagged Transaction Determination

Flagged transactions determined to be other than valid in Case Management (Misuse/Abuse/Suspected Fraud)

One of the issues here is how to account for third party fraud. An example would be where a card has been compromised and then used fraudulently. In this situation, the disposition should be Lost/Stolen.

Suspected Fraud here is referring to first party fraud. This would be where the cardholder (or accomplices) was involved in the fraudulent activity.

Risk Assessment Dashboard – Control 5.4

Control 5.4: Convenience Check Amounts

Accounts that have a Convenience Check transaction for more than $3,000

Have not seen too many exceptions or issues with this control.

Risk Assessment Dashboard – Quarterly Reports

PCOLS RAD Quarterly Report

Date Range: FY14 - Q3
Hierarchy: 47163-00. .7-00. '0-02000

5. Transaction Review Controls

5.1. Average Cycle Transactions

Organization TBR	Number of Exceptions		
	Apr	May	Jun
89279	0	0	0
89285	0	0	0
Total	**0**	**0**	**0**

5.2. A/BO Response Rate

Organization TBR	Number of Exceptions		
	Apr	May	Jun
89279	0	0	1
89285	0	1	1
Total	**0**	**1**	**2**

5.3. Flagged Transaction Determination

Organization TBR	Number of Exceptions		
	Apr	May	Jun
89279	0	0	0
89285	0	0	0
Total	**0**	**0**	**0**

5.4. Convenience Check Amounts

Organization TBR	Number of Exceptions		
	Apr	May	Jun
89279	0	0	0
89285	0	0	0
Total	**0**	**0**	**0**

PCOLS RAD Page 5 of 5 Jul 7, 2014

Quarterly Reports are a side-by-side comparison of the exceptions from the corresponding dashboards.

Each on the categories is displayed on a separate page.

This example shows a Level 4 Report that reports on the two sub-orgs under the Level 4.